

Korea Today

No. 155

1969

Supplement

On the Results of Fulfilment of the 1968 State Budget and on the 1969 State Budget

Pyongyang, Korea

On the Results of Fulfilment of the 1968 State Budget and on the 1969 State Budget

Report of Comrade Yun Ki Bok, Finance Minister, Delivered at the Third Session of Fourth S.P.A. of the DPRK (Gist)

Beginning his report, the Finance Minister said that this year's state budget was being discussed under the circumstances in which the entire working people are accelerating economic construction and defence upbuilding more energetically along the road of victory indicated by Comrade Kim Il Sung, the respected and beloved Leader of the 40 million Korean people, and the U.S. imperialists were becoming all the more unscrupulous in their drive for the provocation of a new war.

The U.S. imperialists are madly raising a new war clamour after they committed a hostile espionage act on April 15 by infiltrating a large-size reconnaissance plane deep into the territorial air of our country, but they can never frighten our people who are firmly determined to smash thoroughly the act of the enemy encroaching upon our sovereignty, not fearing death, he said.

The statement of the Government of the Democratic People's Republic of Korea issued on April 23, the reporter stressed, is now greeted by the entire Korean people with unanimous and enthusiastic support, because it reflects the unshakable determination and burning fighting spirit of our people who have not committed aggression on any country or provoked anyone first from ancient times and who will never allow anyone to insult or provoke us and will answer the "retaliation" of the aggressors with retaliation and a total war with a total war to defend their beloved socialist fatherland and the gains of revolution won at the cost of blood.

And the statement is actively supported by all the revolutionary people and peace-loving people of the world, because of the staunch anti-imperialist, anti-U.S. stand and peace-loving desire contained in it, he added.

ON THE RESULTS OF THE FULFILMENT OF THE STATE BUDGET FOR 1968

Last year, he said, was a year of great victory full of a good many events of tremendous significance in the revolutionary cause and construction work of our country.

He pointed to the fact that our people, holding aloft the great Ten-Point Political Programme put forth by Comrade Kim Il Sung, the respected and beloved Leader, took a giant stride forward last year in all fields of socialist construction by giving powerful spurs to the grand march of Chollima and demonstrated to the whole world the invincible vitality of our Party's revolutionary line of independence, self-sustenance and self-defence and the immovable revolutionary stand of our people, and the flames of the anti-U.S., national-salvation struggle blazed ever fiercer in South Korea.

Last year shines brilliantly in history especially as the year when the celebrations of the 20th anniversary of the founding of the glorious Republic were held with splendour amid the high political enthusiasm of our people and the justness of our revolutionary cause and its great victory were demonstrated at home and abroad and as the year when Comrade Kim Il Sung made public the report "The Democratic People's Republic of Korea is the banner of freedom and independence for our people and the powerful weapon of building socialism and communism," a great Marxist-Leninist document of our times brightly lighting the road of the building of socialism and communism before our people and clearly indicating the path of victory of the cause of the Korean revolution and world revolution.

Noting that greater energy than had been expected in the plan had to be thrown into

defence upbuilding last year in face of the frantic war clamour of the U.S. imperialists, and to this a number of economic difficulties were added, such as a severe drought rare in history and the subsequent strain in electric power, the reporter said:

But, even under such a difficult, unfavourable condition, our people, united as one around the Party and Comrade Kim Il Sung, the respected and beloved Leader, increased industrial production at a high rate of 15 per cent and reaped an unprecedentedly bumper harvest in the production of grain and all other agricultural produce by overcoming all trials and struggling more energetically.

He went on:

This brilliant success made by our people last year amid the great revolutionary upsurge mounting ever higher, eloquently demonstrates the decisive superiority of the socialist economy which advances uninterruptedly and develops at a steady high rate. As Comrade Kim Il Sung taught us, this "...testifies to the sheer fallacy of the theory that in socialist society the reserves for increased production diminish gradually and production cannot be kept rising at a high rate according as the economy develops and its scale expands."

The state budget also was fulfilled with success last year in conformity with the rapid development of the national economy.

The state budgetary revenue last year rose to 122 per cent compared with the previous year, with the further concentration on the state budget of the financial resources rapidly swelling in step with the sharp growth of production.

It was thanks to such marked rise in the revenue of the state budget that we could fully ensure the funds necessary for improving the people's livelihood, while energetically pushing ahead with economic construction and defence upbuilding in parallel, and the expenditure of the state budget augmented to 122 per cent last year as against the previous year.

Thus, the revenue in last year's state budget surpassed expenditure by 210,810,000 *won* after fully meeting all the demands for funds.

According to the basic direction of the economic development of our country indicated by Comrade Kim Il Sung, the Party and the Government undertook last year new capital construction on a large scale for further expanding the economic foundation of the country while putting main stress on making an effective use of the economic assets already secured and normalizing production and, to that end, a vast amount of funds accounting to 48.9 per cent of the total expenditure in the state budget was disbursed for the development of the national economy and a big portion of it went to capital construction, the reporter said.

As a result, in power industry, the construction of gigantic thermal and hydraulic power

plants was stepped up on a large scale, the existing power plants were further readjusted and reinforced and the construction of medium and small-scale power stations also went ahead successfully, further consolidating the power bases of the country.

In mining industry, a great number of new cutting faces were prepared and the commissioning of new large mines was ensured with the appropriation for this domain of 40.2 per cent of the investment in heavy industry construction last year for a more satisfactory operation of the first process of industry. And the working people in coal industry were the first to scale with honour the height of the Seven-Year Plan.

For the rapid development of metal industry, capital construction funds 1.7 times the figure of 1967 went to this domain last year and thus the existing iron and steel works were reconstructed and expanded and the construction of new ferrous metallurgical works was pushed ahead in a big way. Consequently, the metallurgical base of the country has been further consolidated, the production of iron and steel and various nonferrous metals needed for economic construction and defence upbuilding has shown a marked rise and the independence of the metal industry of our country has become all the more pronounced.

For the development of the engineering industry, the core of heavy industry and the basis of technical development in all branches of the national economy, the Party and the Government paid out last year huge capital construction funds 2.3 times the 1967 figure and newly built the youth electric machine factory and other big-scale modern machine building factories and widely undertook the work of building up medium and small-scale engineering factories and branch factories, the reporter said.

Last year also, the reporter said, a colossal investment was made in the chemical industry and the urea factory was expanded twice as big as the previous scale and the expansion of vinalon, chemical fibre, synthetic resin and tyre factories and construction of the oil refinery were vigorously stepped up and the production of phosphorous and molecular fertilizers with home raw materials increased, the qualitative composition of the chemical fertilizers was improved, and a substantial rise was witnessed in the production of various agricultural chemicals including weedkillers, and other chemical products.

For satisfactorily meeting the growing demand for building material of wide variety, including cement, capital construction fund 1.8 times that in 1967 was allocated to this domain.

Last year, in light industry, the construction of new, modern, large-scale textile factories made headway vigorously and the construction of no small number of light industrial factories

was completed. Besides, the construction of a large number of new factories made progress and existing light industrial factories were reconstructed and expanded, and various fishing boats including big-size ships and fishing tackle were supplied in greater number and thus the material and technical foundations of fisheries were consolidated all the more, the reporter stressed.

He went on:

Even under such complicated and difficult situation as last year, we built with our own efforts so many modern, large-scale factories in a single year, and we are carrying on the technical revolution with home-made modern machines and equipment and rapidly improving the people's livelihood day by day with high-quality goods produced at our factories. This is entirely attributable to the outstanding leadership of Comrade Kim Il Sung, the respected and beloved Leader, who put forth the correct line of building an independent national economy and has led our people to the prosperity and development of today along this course.

Referring to the enormous success made in the rural economy last year with the powerful assistance of industry, the reporter stated: Last year, the Party and the Government increased the investment in capital construction in this realm 1.3 times compared with 1967 and rendered great state assistance to the co-operative farmers in their striving for increased grain production.

The reporter continued:

Upholding whole-heartedly the "Theses on the Socialist Rural Question in Our Country" authored by Comrade Kim Il Sung, the respected and beloved Leader, and the instructions given by him at the national meeting of agricultural workers, the entire agricultural working people, with the powerful support of the state, waged a vigorous movement for increasing the per-*jongbo* grain output by 500 kg. and they performed the wonders of raising the grain output again by 11 per cent last year, overcoming an unprecedented drought, compared with 1967 in which a jump of 16 per cent was recorded in grain output despite the severe damages from a big flood.

In the past five years since the publication of the Theses, the Government of the Republic has allotted 21 per cent of the state investment in capital construction in the national economy to the rural economy and rendered a huge amount of financial assistance to the co-operative farms, he said.

The reporter pointed to the fact that with the energetic introduction of irrigation, electrification, mechanization and chemicalization in the rural economy, the world's most developed irrigation system has been established and electricity found its way to 100 per cent of rural

villages and 91.2 per cent of the entire peasant households and the number of tractors per 100 *jongbo* of arable land reached 1.22 (in terms of 15 h.p. unit) as of the end of last year and the amount of chemical fertilizers applied per *jongbo* also rose markedly in this period.

The reporter also noted that for the purpose of consolidating the economic foundations of co-operative farms and speedily improving the living of peasants, 9,680 storehouses and over 38,000 stables and many other productive establishments were built at state expense and handed over to the co-operative farms free of charge and 13,000 electric motors and hosts of other machines and installations were supplied gratis. And modern dwelling houses for 197,000 families and many cultural and welfare facilities were built at state expense, agricultural tax-in-kind was completely abolished, the charges for work done by farm machines were substantially reduced, the purchase prices of industrial crops raised and various kinds of materials for farming supplied at a cheap price.

Over the last five years since the publication of the Theses the additional benefits the co-operative farmers of our country received from the state thanks to new measures taken every year have amounted to 1,306,510,000 *won* and this means that every peasant household has received an additional benefit amounting to 1,200 *won*, the reporter remarked, and emphasized:

The epochal changes that have taken place in our countryside are a brilliant victory borne of the great vitality of the "Theses on the Socialist Rural Question in Our Country" authored by Comrade Kim Il Sung who made an outstanding contribution to the creative development of Marxist-Leninist theory by brightly illuminating the road leading the peasantry to communism.

Referring to the fact that last year the Workers' Party of Korea and the Government of the Republic directed more efforts than ever before to increasing the defence capacities in view of the tense situation in which a war may break out again at any moment in our country owing to the frantic war manoeuvres of the U.S. imperialists, the reporter pointed out that a huge fund, accounting for 32.4 per cent of the total state budgetary expenditure, 30 per cent greater than in the previous year, was disbursed as defence expenses.

The reporter went on:

With the thorough implementation of our Party's military line of self-defence whose main content is to train the whole army into a cadre army, modernize the whole army and place the entire people under arms and convert the whole country into a fortress, the heroic People's Army has grown and strengthened all the more as a revolutionary armed force each of whose members is a match for a hundred

foes, boundlessly faithful to the Party and the Leader and firmly equipped with modern weapons and up-to-date military and technical materials and a whole-state and whole-people defence system has been consolidated all the more.

Last year we once again demonstrated the powerful might of our revolutionary armed force and whole-people defence system by capturing the U.S. imperialist armed spy ship "Pueblo" which intruded deep into the territorial waters of the Republic.

The reporter referred to the fact that our Party and Government which regard the enhancement of the people's livelihood as the supreme principle governing their activities disbursed a large amount of state funds to realize the great solicitude of the Party and the Leader for the people's living even under the difficult conditions in which economic construction and defence upbuilding were pushed ahead in parallel.

Very busy as he was with the state affairs last year, Comrade Kim Il Sung, the great Leader of our people, found time to give meticulous care for the people's livelihood in all respects and show again his profound solicitude to make the people's living more affluent and cultured.

Comrade Kim Il Sung who is always deeply concerned about solving more satisfactorily the problem of food for the people set up 21 new large-scale modern poultry farms and built up solid vegetable cultivation bases by introducing the water-spraying system into the vegetable fields.

Pointing out that Comrade Kim Il Sung, the respected and beloved Leader, always shows great solicitude for the students and children, the future of the fatherland and reserves of communist construction, the reporter said that under the tense situation last year, he provided the entire children and primary and middle school children with winter clothes, padded overcoats, winter caps, kerchiefs, winter shoes and socks at low prices next to nothing.

The reporter continued:

Last year the Party and the Government disbursed 20 per cent more social and cultural expenses than in 1967 to more satisfactorily meet the demands of the people's living.

Housing construction was carried on briskly with a huge state investment and 70 per cent more dwelling houses than in 1967 were newly provided to the working people.

The reporter noted that last year also the Party and the Government defrayed a colossal amount of funds for the education field to further consolidate the successes of the universal nine-year compulsory technical education and further develop the work of training technicians in step with the quick tempo of the development of the technical revolution and the working people received greater benefit of free education from the

state, and more funds than envisaged in the plan were allotted to the field of public health so that the working people might enjoy the benefit of universal free medical service still more.

The reporter also pointed out that last year the government took measures for improving the guidance and management of the kindergartens and creches and increased the expenditure of funds for this field and thereby made it possible to bring up the children better and provide more conveniences to the working mothers who are participating in social labour.

The reporter stressed that all the successes made last year clearly show once again how incomparably superior the socialist system of our country is, how powerful our independent national economy is and how reliable and solid the socialist finance of our country based on it is.

The northern half of the Republic as a model of socialism has been converted into a paradise good to live in for the people, whereas South Korea under the occupation of the U.S. imperialists has been turned into the most corrupt and miserable colony and land of death and land of darkness for the people, the reporter said, and went on:

The two different realities in North and South Korea find a concentric expression in the financial budget.

Last year the U.S. imperialists and their stooges, the Pak Jung Hi puppet clique, not content with earmarking nearly the whole of the budget of the puppet government for war preparations, ran wild in raising war funds by cooking up the so-called "supplementary revised budget" three times and are imposing oversize spendings for military fascist suppression devoid of economic guarantee upon the South Korean people who are groaning in an untold misery of living.

The traitorous Pak Jung Hi clique intend this year to cover 82 per cent of this year's budgetary revenue with tax collection from the people, which is over two times that of last year, or 10.3 times that in 1961, the year when they seized power.

When miscellaneous taxes, forced labour for military purposes, "national bonds," forced savings and inflation are taken into consideration, the extortion through taxation by the puppet clique is, indeed, a harsh one, the precedent of which can be seen nowhere in the world.

In order to collect this huge amount of taxes, the Pak Jung Hi puppet clique are revising for the worse various tax laws, raising the tax rate and staging a murderous tax collection drive by wielding bayonets, and are wresting at random over 160 kinds of miscellaneous impositions.

The reporter pointed to the fact that the Pak Jung Hi puppet clique have placed the

South Korean economy at the tender mercy of the U.S. and Japanese monopoly capital, with the result that the national economy of South Korea has gone totally bankrupt and the living of the South Korean people is sinking deeper into the inextricable depth of misery.

Noting that never in thousands of years of history of our country have our people lived so a miserable life going in rags and hungry and oppressed and trodden down as the South Korean people today, the reporter continued:

Comrade Kim Il Sung, the respected and beloved Leader, taught us: "Where there are exploitation and oppression, there is always the revolutionary struggle of the people."

The South Korean people who have become aware, through the bitter experiences for over 20 years in the past, that the U.S. imperialist occupation of South Korea is the root cause of all the misfortunes and agonies they are suffering, now are vigorously rising in the sacred anti-U.S., national-salvation struggle for the right to live, democratic freedom and the unification of the country, engraving on their hearts the teachings of Comrade Kim Il Sung, the great Leader of the 40 million Korean people.

Today the South Korean people entrust their destiny entirely to Comrade Kim Il Sung who has always led our people along the one road of victory and glory and brightly lights the road ahead of the South Korean revolution and clearly indicates the ways of struggle, looking up to him as the sun of the nation, and draw infinite strength and courage from the thriving and developing northern half of the Republic looking up to it as the banner of freedom and liberation and the beacon of their hope.

The South Korean revolutionaries and patriotic people, boundlessly revering the Leader and taking his great revolutionary ideas as a weapon of struggle and following the great banner held aloft by him, are waging a dauntless struggle against the enemy in towns and villages, underground and in mountains, and even in prisons and at "courts" for crushing the U.S. imperialists and their stooges and for a new government, a new system and a new life.

The reporter stressed: With no amount of frenzy can the scoundrels ever break the indomitable fighting spirit of the South Korean revolutionaries and patriotic people who are valiantly waging a life-and-death struggle for accomplishing their just cause.

Following the banner of struggle, the banner of victory, raised high by Comrade Kim Il Sung, the great Leader, the entire people of North and South Korea will certainly liberate South Korea and accomplish the sacred cause of national unification in our generation, the reporter declared.

ON THE STATE BUDGET FOR 1969

He said:

Today we are facing the honourable tasks for making a new advance in the struggle for the complete victory of socialism and accelerating the national unification and the nation-wide victory of the Korean revolution, holding aloft the strategic lines advanced by Comrade Kim Il Sung in the report at the Conference of the Party, the great Ten-point Political Programme and the report at the celebration of the 20th anniversary of the founding of the Republic.

This year's state budget has been so drafted as to firmly guarantee financially the work for scaling the major heights of the Seven-Year Plan, which are of decisive significance in the socialist construction of our country, and further increasing the defence capacity, improving the people's livelihood still more and preparing for large-scale nature-remaking projects to be undertaken in the future.

Reflecting this year's national economic plan which envisages a continued advance at a great speed on the basis of the essential superiority of the socialist system, we have set the total revenue and expenditure of the state budget respectively at 5,995,420,000 won.

With the great revolutionary upsurge of socialist construction mounting higher, the state budgetary revenue will show this year a growth of 19 per cent over last year and the share of the revenue from the socialist economy will reach 98.2 per cent.

On the basis of a sharp rise in the state budgetary revenue, the state budgetary expenditure will go up 24 per cent above last year.

This huge amount of fund is correctly appropriated for further enhancing the people's livelihood while ensuring a high tempo in extended reproduction and increase of the defence capacity.

In the state budget, to begin with, a vast amount of fund 27 per cent higher than last year, is earmarked for the development of the national economy, of which the capital construction fund is expected to climb 37 per cent over last year.

This year, too, primary attention will be paid to pushing power and mining industries ahead of other domains and the capital construction investments in this domain are set at 1.5 times that of last year.

The reporter went on:

This year the state will allocate capital construction fund 1.3 times that of last year to the metal industry to continuously reconstruct and expand a number of large-scale metallurgical works, go ahead with the construction of new iron and steel works and step up the preparations for building up our own light metal production base.

In this year's state budget 13.5 per cent of the investments in industrial construction is earmarked for engineering industry for the satisfactory production of equipment needed for the increase of the economic and defence potentials of the country.

With the building of a firm base of the engineering industry and rapid enhancement of its production capacity, the output of various machine tools, automobiles, tractors, electric motors and generators will be markedly boosted, 1.5 to over 4 times, and, particularly, the output of large-size excavators, heavy-duty lorries, big tractors, large-size ships, big machine-tools, and other big-size machines and precision machines will jump sharply.

This year, 2.2 times as much fund as last year will be invested in the chemical industry for accelerating chemicalization in the national economy, particularly chemicalization of agriculture and further reinforcing the raw material bases of light industry by rapidly developing the chemical industry.

The existing chemical fertilizer factories and agricultural chemicals factories will be readjusted and reinforced and the expansion of the chemical fibre factories and other chemical factories will be energetically pushed ahead.

At the same time, the construction of oil refinery will be quickened and a project will be started for building up a new large-scale chemical industrial base of great importance in the development of the chemical industry in our country.

The reporter said:

Investments in building-material industry will be doubled compared with last year.

This year, a huge capital construction investment twice as much as last year will be made in light industry, with the result that production will leap 1.2 times in fabrics, 1.3 times in shoes, 1.8 times in paper, 1.2 times in vegetable oil and 1.4 times in sweets, and confectionaries and daily necessities of wide variety will increase and thus people will live in greater affluence.

And we will reinforce the material and technical foundations of fisheries by supplying more large-size refrigerator-transport ships and fishing boats and hastening the construction of refrigeratory factories.

In this year's state budget, 1.5 times as much construction fund as last year is appropriated for transport.

The reporter said: The electrification of the railway line between Pyongyang and Chongjin will be wound up and rails extending hundreds of kilometres will be replaced with rails for heavy-duty wagons. Along with this, construction of new railways will be pushed ahead extensively.

Pointing out that 1.3 times as much fund for capital construction as last year and a huge

fund for other purpose is earmarked in the state budget this year for implementing the tasks put forth in the "Theses on the Socialist Rural Question in Our Country," the reporter noted: This year the successes attained in irrigation will be consolidated and the proportion of the work done by machines will grow markedly in agriculture.

This year larger quantities of chemical fertilizers will be supplied to increase the amount of the fertilizers applied per *jongbo* 1.2 times compared with last year and, at the same time, the farmers will be supplied with various kinds of weedkillers and agricultural chemicals in large amount to continue vigorously pushing ahead with chemicalization of agriculture.

This year, too, the state will build production establishments, houses and cultural and welfare facilities for co-operative farms at its own expense of colossal amount, supply them various farm machines free and provide them with hosts of materials for farming at cheap prices.

The reporter stressed:

The state will bend much efforts for developing in a manysided way the agricultural production in counties of mountainous areas following the brilliant example of Changsong county created in person by Comrade Kim Il Sung, the respected and beloved Leader, and leading all the co-operative farms of the country lagging behind to catch up quickly with the advanced ones.

The production of eggs will make a sharp jump of 2.9 times and that of meat 1.4 times as against last year.

He continued:

Another great success will be witnessed in the industrialization of vegetable production and the problems of subsidiary foodstuffs for the people will be solved more satisfactorily.

The reporter said that a large amount of funds of this year's state budget will go to preparing for grand nature-remaking projects to be undertaken in the future and conducting big-scale land upbuilding.

Also this year, he said, our state budget will financially ensure a high rate of development of the national economy racing ahead at Chollima speed and active balance for it and we will brilliantly carry out the programmatic instructions of Comrade Kim Il Sung for increasing the economic potential of the country and raising the people's living standard and thus further displaying the superiority of the socialist system, by continuing construction till tonight, even if a war may break out early tomorrow morning.

The reporter pointed out:

The state budget for this year envisages the allocation of 1,798,680,000 *won*, 30 per cent of the total expenditure, for defence expenses for

further strengthening the defence capacity to meet the demand of the situation.

With the more thoroughgoing implementation of the military line of our Party based on the revolutionary principle of self-defence, our People's Army will grow and strengthen all the more as a cadre army, each being a match for a hundred foes and infinitely faithful to the Party and the Leader, and thoroughly armed with the unitary ideology of the Party and firmly equipped with modern military technique and as invincible revolutionary armed forces capable of defeating any aggressor army in whatever circumstances.

And we will carry on production and construction reliably defending the socialist fatherland by placing the entire people under arms, firmly build up defence establishments everywhere and turn the whole country into an impregnable fortress, thereby further strengthening the most powerful all-people defence system.

The reporter noted that the U.S. imperialists are, far from learning a due lesson from the ignominious defeat they suffered last year in the "Pueblo" incident, hell bent on new war preparations in South Korea, openly ranting that a third world war will break out not in Europe but in Asia.

But, no matter how desperately the enemy may try, they cannot block the road ahead of our people who, closely rallied with one ideology and one will around the Workers' Party of Korea and Comrade Kim Il Sung, the ever-victorious iron-willed brilliant commander, are safeguarding with utmost revolutionary vigilance the security of the fatherland as firm as a rock and dashing forward, holding a rifle in one hand and a hammer and sickle in the other.

Comrade Kim Il Sung, the great Leader of the 40 million Korean people, pointed out at a banquet given in honour of the 20th anniversary of the founding of the Korean People's Army last year:

"The U.S. imperialists must fully be aware that if they aggravate the situation and persistently take the road of war despite our warnings, then they will suffer a heavier defeat."

Then the reporter said:

The Party and the Government which have consistently showed a deep concern for the promotion of the people's well-being plan to speedily improve their livelihood this year on the basis of national income which will grow to 116 per cent compared with last year, while directing much efforts to carrying on economic construction and defence upbuilding in parallel.

Along with the increase of commodity production and sharp rise of the purchasing power of the working people, the retail turnover will grow this year 1.2 times as against last year.

This year's state budget envisages an increase of 32 per cent compared with last year in social and cultural expenses to more satisfactorily meet the social and cultural demands of the people, and among them funds for capital construction will rise by 80 per cent above last year's.

A huge amount of funds will be earmarked for housing construction in this year's state budget to build newly 3 times as many modern dwelling houses as last year in towns and villages. Especially, modern houses for 157,000 families will be built in the countryside in one year with a large state investment.

Disbursement for capital construction in the domain of education will increase 2 times and allocation of funds for educational work rise 1.2 times as against last year in order to consolidate the success of the universal nine-year compulsory technical education system and further strengthen the material and technical foundations of schools of various levels and cadre-training organs and a remittance of 1,200,000,000 *yen* in Japanese currency, a 20 per cent increase above last year's, as educational aid funds and stipends is envisaged this year for the democratic, national education of sons and daughters of Korean compatriots in Japan.

He noted that an allocation of nearly 3.4 times as much funds as last year for capital construction in the domain of public health and 20 per cent more expenses for public health work than last year are envisaged in this year's state budget.

And, he added, the state budget envisages this year a large appropriation, 50 per cent more than last year's, for nurseries and kindergartens.

The reporter said that besides, the working people of our country will enjoy a greater benefit of social insurance, social security services and paid leave thanks to increasing state budgetary expenditure.

The reporter stressed: Thanks to various measures envisaged by the Party and Government this year, our socialist paradise in which people live with no worry about food, clothing and housing or about the education of their children and medical treatment and which all the people of the world envy so ardently will be converted into a happier paradise where people lead a joyous and pleasant life and great changes will take place on the road of carrying out the programmatic tasks set forth by our Party for the enhancement of the people's living standards.

He said:

I can say with confidence that this year's state budget submitted to this session for examination is a budget for great revolutionary upsurge in socialist construction, which is gaining further momentum as the days go by, and a budget for stepping up economic construc-

tion and defence upbuilding in parallel and a well-compiled and genuine popular budget for the well-being of the people and the future prosperity of the nation.

This huge budget is a realistic budget based on a scientific calculation of the great potentials of the independent national economy we have already built up and all the reserves for increased production and economization and, at the same time, a revolutionary and mobilizing budget reflecting the demands of the present situation and the firm desire of our people to continuously advance at the Chollima speed, the reporter noted.

By successfully fulfilling this year's state budget we should more successfully realize the far-reaching plan of the Leader put forth in the great Ten-Point Political Programme of the Government of the Republic and in the report at the celebration of the 20th anniversary of the founding of the Republic and bring earlier the complete victory of socialism and the great revolutionary event of the unification of the fatherland, the reporter stressed.

Referring to "On Some Theoretical Problems of the Socialist Economy," an immortal work authored recently by Comrade Kim Il Sung, the reporter said:

We should thoroughly arm ourselves with the great revolutionary ideas and outstanding economic theory of the Leader by making a deep-going study of the immortal work and achieve the complete victory of socialism and the nation-wide victory of our revolution at an earlier date by defending them and carrying them through to the end.

Comrade Kim Il Sung taught: **"An important task immediately confronting us for the achievement of complete victory of socialism is to implement thoroughly the line of conducting economic construction and defence upbuilding in parallel while pushing ahead vigorously with the working-classization and revolutionization of the whole society by giving definite precedence to ideological revolution in accordance with the line set forth in the decision of the Conference of the Party and in the Ten-point Political Programme of the Government of the Republic."**

The decisive guarantee in realizing the magnificent programme of the Seven-Year Plan and actively meeting the great revolutionary event of national unification by rais-

ing higher the flames of the great revolutionary upsurge on all fronts of the economic construction and defence upbuilding is to firmly establish the system of the unitary ideology of our Party among all functionaries and working people.

The unitary ideology of our Party is the revolutionary ideas of Comrade Kim Il Sung, the great Leader of our Party and the 40 million Korean people, who founded the glorious revolutionary traditions, the historic roots of our Party and revolution, and the Workers' Party of Korea, the General Staff of our revolution and the guiding force of our people, founded the Democratic People's Republic of Korea, the first state of the proletarian dictatorship in our country, and who ushered in a new historical era of socialism and communism in our country and is leading the revolution of our country along the straight path of victory by founding a solely correct revolutionary theory and is making a great contribution to the development of the international communist movement and the world revolution.

The revolutionary ideas of Comrade Kim Il Sung are the Marxist-Leninist ideas creatively applied and developed to suit the specific realities of our country, the immortal idea of *Juche* run through with the principles of independence in politics, self-sustenance in the economy and self-defence in national defence, and the great revolutionary ideas leading the Korean revolution continuously to victory and guaranteeing the victory of socialism and communism in our country and the world, originally solving all questions arising in the revolution and construction and consistently hewing a new road.

Pointing out that only a new, greater victory is in store for our people who are advancing vigorously along the road indicated by Comrade Kim Il Sung, the outstanding Marxist-Leninist of our times and brilliant Leader of revolution, taking the revolutionary ideas of Comrade Kim Il Sung as the sole guideline, the reporter stressed in conclusion: Let us advance vigorously for scaling the heights of the Seven-Year Plan and bringing earlier the complete victory of socialism and the great revolutionary event of national unification, rallied closer around our Party Central Committee and Government of the Republic headed by Comrade Kim Il Sung.

Third Session of Fourth S.P.A. Held in Presence of Comrade Kim Il Sung, the Respected and Beloved Leader

The Third Session of the 4th Supreme People's Assembly was held for three days from April 24 at the Mansudae Assembly Hall, Pyongyang, in the presence of Comrade Kim Il Sung, the respected and beloved Leader.

The session was attended by deputies to the Supreme People's Assembly, and many functionaries of Party and government organs and public organizations, workers in the domains of economy, science, culture, public health and art and working people in various fields.

Diplomatic envoys of various countries in Pyongyang were also invited to the session.

Respectfully placed in the background of the platform was a portrait of Comrade Kim Il Sung, the great Leader of the 40 million Korean people, peerless patriot, national hero, ever-victorious iron-willed brilliant commander and one of the outstanding leaders of the international communist and working-class movements, who has steadfastly led our revolution along one road of victory taking upon himself the destiny of the fatherland and nation for 40 odd years, and thus turned our country into a powerful, dignified socialist power.

Hung there were also a model of soaring Mt. Baekdu symbolizing the glorious revolutionary traditions of the anti-Japanese armed struggle inherited by our Party and people and an unfurled flag of the Democratic People's Republic of Korea—the glorious fatherland—which the anti-Japanese fighters won at the cost of their blood and which fine sons and daughters of our people defended with their lives.

The hearts of the entire deputies and attendants of the meeting were filled with the feelings of unbounded reverence for, trust in and intense loyalty to Comrade Kim Il Sung, the prominent Marxist-Leninist and great Leader of the revolution, who has turned our country into a socialist power with an advanced socialist system, firm foundation of an independent national economy, powerful all-people defence system and brilliant national culture by putting forth the great idea of *Juche* and the revolutionary line of independence, self-sustenance and self-defence, its embodiment, and energetically organizing and mobilizing our people to their implementation and

who recently authored "On Some Theoretical Problems of the Socialist Economy," a brilliant work which is of epoch-making significance in the development of our revolution, socialist and communist construction and the development of Marxist-Leninist economic theory, and thereby brightly illumined the road to socialist and communist construction. And their hearts were full of a sense of boundless honour of and pride in being his revolutionary soldiers.

On their faces was depicted the firm determination to remain single-heartedly loyal to the Leader, defend him with their lives in whatever storm and stress and carry out to the end the orders and instructions of the Leader through thick and thin by arming themselves more firmly with the great revolutionary ideas of Comrade Kim Il Sung, the unitary ideology of our Party, and constantly revolutionizing and working-classing themselves.

At four p.m. on April 24 the respected and beloved Leader Comrade Kim Il Sung, General Secretary of the Central Committee of the Workers' Party of Korea and Premier of the Cabinet of the Democratic People's Republic of Korea, mounted the platform. Then all deputies and attendants of the session rose and enthusiastically welcomed him with ringing cheers of "Manse" and prolonged thunderous applause which shook the assembly hall.

Comrade Choi Yong Kun and Comrade Kim Il and other Party and government leaders and many responsible cadres also took up the platform.

After the opening address made by Chairman Baek Nam Wun of the Supreme People's Assembly, the following agenda was adopted:

On the results of the fulfilment of the 1968 state budget and on the 1969 state budget of the Democratic People's Republic of Korea (submitted by the Cabinet of the D.P.R.K.)

Comrade Yun Ki Bok, Minister of Finance, made the report on this agenda.

Deputy Kang Hui Won, member of the Budgetary Committee of the Supreme People's Assembly, reported on the results of the examination by the committee of the results of the fulfilment of the 1968 state budget and of the 1969 state budget.

At the session many deputies made speeches on the agenda.

They sternly exposed and denounced the U.S. imperialists' recent frantic new war racket which reached a graver stage, and said in unison that the resolute and adamant stand clarified in the statement of the Government of the Republic issued on April 23 in this connection reflects the unanimous will of the entire Korean people and enjoys the full support of our people.

In order to guard their beloved socialist fatherland and the revolutionary gains won with their blood, our heroic People's Army men and armed people, rallied around the Party and the Leader closer than ever before, are sharpening revolutionary vigilance, watching the enemy's war moves closely and they are making full preparations to return retaliation for the "retaliation" of the invaders and all-out war for all-out war, the speakers pointed out. And they stressed that if the U.S. imperialists dare to ignite another war in this land, they will be smashed and annihilated at a stroke.

They emphasized that last year the state budget was successfully fulfilled thanks to the wise guidance of the respected and beloved Leader Comrade Kim Il Sung and to the devoted labour of the working people who, united firmly around him, gave greater spurs to the grand march of Chollima and that it financially ensured with satisfaction the difficult, enormous work of powerfully pushing ahead with economic construction and defence upbuilding in parallel, while further bettering the people's living.

Last year our people, they stressed, tided over all hardships and ordeals without any vacillation under the very tense and complex situation, further strengthened the country's economic might and defence capacity and improved the livelihood of the people still more. This was attributable entirely to the wise guidance of the respected and beloved Leader of the 40 million Korean people Comrade Kim Il Sung who set forth the great idea of *Juche* and the revolutionary line of independence, self-sustenance and self-defence and always leads our people to victory, glory, happiness and prosperity, they remarked.

Deeply regretting that under the heinous colonial military fascist rule of the U.S. imperialists the South Korean people of the same blood are deprived of every freedom and right and groan in a living hell where starvation, poverty, terrorism and murder reign, the speakers fully exposed the nature of the predatory, anti-popular reactionary budget of the puppet Pak Jung Hi clique who faithfully serve

the war policy of their master American imperialists.

Pointing out that the South Korean people and revolutionaries are now waging a resolute, undaunted struggle for a new government, new system and a new life, looking up to Comrade Kim Il Sung, the sun of the nation, and with his great revolutionary ideas as the weapon of their struggle, they extended warm brotherly support and encouragement to their struggle.

The speakers said that the state budget for this year was mapped out so as to satisfactorily guarantee financially the great revolutionary upsurge for successfully carrying out the programmatic tasks set by Comrade Kim Il Sung, the respected and beloved Leader, in his report made at the historic Conference of the Workers' Party of Korea, in the great Ten-Point Political Programme and in the report delivered at the celebration of the 20th anniversary of the founding of the Republic and occupying victoriously the major heights of the Seven-Year Plan and, expressed full support to the state budget for this year submitted for examination.

They made a firm resolve to arm themselves with the great revolutionary ideas of Comrade Kim Il Sung, the respected and beloved Leader, and defend with their lives the Central Committee of the Party headed by him in any adversity, to raise higher the flame of the great revolutionary upsurge in all fronts of economic construction and defence upbuilding and brilliantly carry through the programmatic tasks set by the respected and beloved Leader Comrade Kim Il Sung in his report delivered at the historic Conference of the Workers' Party of Korea, in the great Ten-Point Political Programme and in the report made at the celebration of the 20th anniversary of the founding of the Republic and thus to further strengthen the political, economic and military power of the country and promote the complete victory of socialism and the revolutionary cause of the fatherland's unification.

The session adopted unanimously a decision approving the results of the fulfilment of the state budget of the Democratic People's Republic of Korea for 1968 and the law on the state budget of the D.P.R.K. for 1969.

At the session Baek Nam Wun, Chairman of the Supreme People's Assembly, made a closing address.

The session successfully discussed and decided on items in the agenda and closed on April 26.